



12 June 2006

## FTAA-2510-1120 Lake Pūkaki Hydro Storage and Dam Resilience Works

Transpower New Zealand Limited (**Transpower**) has been invited to comment on draft conditions. Transpower has an interest in *CRC262540 – Section 14 Consent to take and use water for hydroelectricity generation (Operation of Lake Pūkaki below 518 m) (Draft Water Take)*. Our comments are limited to the conditions of the Draft Water Take.

Transpower's comments on the substantive application by Meridian Energy Limited (Meridian) set out the current regulation applying to Transpower, including the requirement to monitor and provide information on short- to medium-term forecasting on all aspects of security of supply (see paragraph S30 and following). Any exercise of the Draft Water Take, and resulting reduction in lake level, is relevant to Transpower's role in monitoring and providing information in relation to short- to medium forecasting. Consequently, Transpower seeks to be added to the parties that are provided information when the Draft Water Take is exercised, or soon to be exercised (conditions 3, 4, 6 and 7).

The information provided pursuant to conditions 3 and 4 will enable Transpower to be informed when Lake Pūkaki is nearing and within low operating range. This situation would enable Transpower to commence an operational process to manage risks and inform industry of potential energy, capacity and transmission risks (as currently occurs in relation to the Waiau catchment and Manapōuri generation). Transpower will then account for these lake levels and limitations on generation in its security of supply analysis.

Transpower would use the information provided pursuant to conditions 6 and 7 to inform its forward-looking risk triggers, if similar conditions appeared likely to arise in the future.

The addition of Transpower to the parties to be provided with information pursuant to conditions 3, 4 6 and 7 will provide greater certainty that Transpower will have the necessary information about lake levels to carry out its regulatory functions.

We note that Transpower assumes that condition 4d does not relate to actual or potential effects of operation of the lake below the Normal Consented Minimum Lake Level on security of supply. If so, Transpower does not have an interest in the matters covered by condition 4d. However, we have assumed that it may be more efficient for Meridian to provide all information to the parties covered by condition 4, rather than separating out the matters in 4a-c for provision to Transpower only.

Transpower seeks the following changes (additions shown by underlining, deletions by strikethrough):

### Condition 3

The consent holder must advise Canterbury Regional Council (Attention: Manager Compliance), Te Rūnanga o Moeraki, Te Rūnanga o Arowhenua, ~~and~~ Te Rūnanga o Waihao and Transpower New Zealand Limited when lake levels reach 519 m RL (i.e. before Lake Pūkaki is reduced below the Minimum Lake Level of 518.0 m RL provided for in CRC905321.7.

#### **Condition 4**

Whenever the level of Lake Pūkaki is below 518 m RL pursuant to the exercise of this consent, the consent holder must advise Canterbury Regional Council (Attention: Manager Compliance), Te Rūnanga o Moeraki, Te Rūnanga o Arowhenua, ~~and~~ Te Rūnanga o Waihao [and Transpower New Zealand Limited](#) weekly of:

- a. the strategies adopted to restore Lake Pūkaki to the Normal Consented Minimum Lake Level of 518 m RL;
- b. the lake level at the end of each reporting week;
- c. the estimated timeframes for returning Lake Pūkaki to the Normal Consented Minimum Lake Level; and
- d. the measures adopted to mitigate adverse effects of operating the lake below the Normal Consented Minimum Lake Level, including effects on cultural values and mahinga kai.

#### **Condition 6**

Every time the consent holder exercises this consent to operate Lake Pūkaki below 518 m RL, the consent holder must, no later than eight weeks following the completion of each lowering event, provide Canterbury Regional Council (Attention: Manager Compliance), Te Rūnanga o Moeraki, Te Rūnanga o Arowhenua, ~~and~~ Te Rūnanga o Waihao [and Transpower New Zealand Limited](#) with the following information:

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- a. the date and time at which the lake was lowered below 518 m RL;
- b. the levels at which the Lake Pūkaki was managed over the duration of the lowering event;
- c. the duration of the lowering event;
- d. a written description of the circumstances leading to and applying during the lowering event; and
- e. a written description of the measures adopted to mitigate adverse effects of operating the lake below the Normal Consented Minimum Lake Level, including effects on cultural values and mahinga kai.

#### **Conditions 7**

If the information provided in condition 5 indicates that the timing, duration, frequency and extent of any lowering operation is different to what was predicted in application FTAA-2510-1120, then the consent holder shall provide a detailed explanation of the differences and circumstances of the occurrence to the Canterbury Regional Council (Attention: Manager Compliance) [and Transpower New Zealand Limited](#) within 3 months of the lowering event.